

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 23, 2000

Michael Kovaka, Esquire Dow, Lohnes & Albertson, P.L.L.C. 1200 New Hampshire Avenue, NW, Suite 800 Washington, D.C. 20036-6802

RE:

MUR 4748

WPXI, Inc.

Pamela Spagnol Robert Monford Carrie Moniot

Dear Mr. Kovaka:

On August 17, 2000, the Federal Election Commission accepted the signed conciliation agreement and civil penalty that you submitted on behalf of your clients in settlement of violations of 2 U.S.C. §§ 441b and 441f, and 11 C.F.R. § 110.4(b)(iii), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and the Commission's regulations, respectively. Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Mr. Kovaka, Esq. Page 2

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Amara Kapper
Tamara Kapper

Paralegal Specialist

Enclosure

Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)			2	± 100 €
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WPXI, Inc. t/a WPXI-TV Channel 11)			=	COMMAND COMMAND
Pamela Spagnol, WPXI-TV)			25	SSE A
Robert Morford, formerly of WPXI-TV)				THOUS.
Carrie Moniot, WPXI-TV	í			=	TION ERAL
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CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Judith L. Corley, counsel for Citizens for Ron Klink. The Federal Election Commission ("Commission") found reason to believe that WPXI, Inc., t/a WPXI-TV Channel 11 violated 2 U.S.C. §§ 441b and 441f, that Pamela Spagnol, WPXI-TV, violated 2 U.S.C. § 441f, that Robert Morford, formerly of WPXI-TV, violated 2 U.S.C. § 441b, and that Carrie Moniot, WPXI-TV, violated 11 C.F.R. § 110.4(b)(iii).

NOW, THEREFORE, the Commission and the above-identified respondents ("Respondents"), having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).
- II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- III. Respondents enter voluntarily into this agreement with the Commission.
- IV. The pertinent facts in this matter are as follows:
- 1. WPXI, Inc., t/a WPXI-TV Channel 11 ("WPXI"), is a corporation located in Pittsburgh, Pennsylvania.

- 2. Pamela Spagnol is the WPXI News Department Business Manager.
- 3. Robert Morford was, at all relevant times, the WPXI News Director.
- 4. Carrie Moniot is the WPXI Executive Producer, Special Projects Unit.
- 5. The Federal Election Campaign Act of 1971, as amended ("the Act"), prohibits corporations or any director or officer of a corporation from making a contribution or expenditure in connection with any election to a Federal political office. 2 U.S.C. § 441b.
- 7. Pursuant to 2 U.S.C. § 441f, a contributor is prohibited from making a contribution to a Federal candidate or committee in the name of another. The Commission's regulations also state that no person shall knowingly help or assist any person in making a contribution in the name of another. 11 C.F.R. § 110.4(b)(iii).
- 8. In October 1997, WPXI received a memo from NBC headquarters in New York entitled "Dateline Idea Exchange," which listed stories that WPXI might consider producing and airing during the month of November 1997 or February 1998. Attached to the memo was a document containing nine local story ideas for NBC affiliate stations. One of the story ideas was an item titled "Members of Congress may be twice as likely to answer your letter when you enclose a check." Robert Morford, WPXI New Director, forwarded the NBC memo and its attachments to Carrie Moniot, WPXI Executive Producer, Special Projects Unit.

- 9. The idea for the story was approved at a regular WPXI news department staff meeting in January 1998, at which Mr. Morford and Ms. Moniot attended. Mr. Morford, as WPXI News Director, had the final authority to decide whether WPXI would pursue the congressional news story. After the staff meeting, Ms. Moniot drafted and approved two (2) sets of the letters that were to be sent to five (5) congressmen whose districts were in the WPXI viewing area (western Pennsylvania). Both sets of letters contained a request for assistance in determining the amount of social security benefits the sender would be entitled to upon retirement. One set of letters also included a \$50 check, payable to the recipient congressman. The other set did not include a check. Ms. Moniot then proceeded to ask two WPXI employees to use their names and home addresses for the letters to the congressmen so that it would appear that the letters and contributions were from constituents.
- 10. Ms. Spagnol followed WPXI's usual operating procedure for requesting advances and reimbursements for news story related expenses. On February 11, 1998, Ms. Spagnol submitted a WPXI-TV/COX Broadcasting Corp. Check Request Form to the accounting department requesting \$250 for the purpose of "Campaign Contributions to PA Representatives for I-Team Story." On that same date, Mr. Morford authorized the use of WPXI funds to reimburse Ms. Spagnol for the contributions. Two days later, Ms. Spagnol received a \$250 check from WPXI for the story. On March 2, 1998, Ms. Spagnol wrote five (5) \$50 contribution checks from her personal checking account, and sent them along with the letters prepared by Ms. Moniot. After the checks were mailed, Ms. Spagnol submitted an expense voucher form to the WPXI Accounting Department to show that she did, in fact, use the \$250 for the intended purpose.

- 11. Sometime thereafter, between March 16 and 30, 1998, Ms. Spagnol received initial responses from four of the five candidates. Three of these candidates accepted and deposited her contributions; one returned Ms. Spagnol's check uncashed because she did not live in his congressional district; and one check apparently was never received. Ms. Moniot monitored the responses that were received by Ms. Spagnol and the other WPXI employee. After receiving the responses, sometime in early April 1998, the recipients were contacted by WPXI to arrange interviews in connection with the story.
- 12. Ms. Moniot, as Executive Producer for the WPXI New Special Projects Unit, chose the congressional response story idea from the Dateline Idea Exchange memo to present to other WPXI news staff members for their approval at the regular January 1998 staff meeting. Ms. Moniot drafted the letters that were to be sent to the five congressmen and she asked WPXI staff to participate in the plan. She monitored the responses that Ms. Spagnol received and tried to set up interviews with the candidates to discuss their responses. Ms. Moniot actively participated in the decision making process to pursue the story in her capacity as Executive Producer for WPXI Special Projects Unit and initiated the entire sequence of events.
- 13. Respondents maintain that at the time the contributions were made, none of the WPXI personnel involved in approving or making the contributions were aware of any laws that might prohibit such donations. Respondents also maintain that no one at WPXI ever raised or discussed the possibility that enclosing checks for the congressmen as part of the congressional response story might be prohibited.
- 14. After WPXI personnel contacted the offices of the congressmen to whom the contributions had been sent, WPXI was informed by two of those offices that the contributions might have violated federal elections laws. Thereafter, some of the congressional recipients

refunded the contributions based on the possibility that the contributions might have violated federal elections laws. Ms. Spagnol subsequently sent letters to each of the remaining recipients explaining the nature of the contributions and informing the recipients that the contributions might have violated federal elections laws. Ms. Spagnol stopped payment on the single check that had been sent to a congressman who had neither returned nor cashed the contribution check. As a result, by early June 1998, all of the contributions had been disgorged or cancelled and all of the recipients had been informed of the nature of the contributions made as part of the congressional response story.

- V. 1. WPXI, Inc., made corporate contributions totaling \$250 in the name of another in violation of 2 U.S.C. §§ 441b and 441f.
- 2. Pamela Spagnol made contributions in the name of another in violation of 2 U.S.C. § 441f.
- Robert Morford consented to the use of corporate funds for making contributions to five
 Federal candidate committees.
- 4. Carrie Moniot assisted in the making of contributions in the name of another in violation of 11 C.F.R. § 110.4(b)(iii).
- VI. Respondents jointly and severally will pay a civil penalty to the Federal Election Commission in the amount of One Thousand dollars (\$1,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).
- VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been

violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with an implement the requirement contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Nobel General Counsel

Lois G. Lerner

Associated General Counsel

FOR THE RESPONDENTS:

Michael Kovaka

Attorney for Respondents

Date